

## **2008 MARKET VALUES AND PROPERTY TAXES and the Effects of the Homeowner's Exemption**

Total budgeted property taxes for 2008 are \$1,315.8 million and have increased \$97.9 million or 8% since 2007. This year's increase is considerably lower than the 10.9% increase noted last year, although it still is above the long term median annual increase of 6.4% since 1995. The 2008 changes continue to reflect significant increases in school district voter approved property taxes following the 2006 decrease in total school property taxes due to elimination of most school district M&O. Other significant increases in 2008 resulted from the creation of a new community college district and several (mosquito) abatement districts. This report attempts, whenever possible, to distinguish between property tax increases that affect existing property and those related to newly constructed property.

When increases in tax are attributed to inflation in existing property values, such increases usually can occur only if the proportion of value represented by one property sector has increased because inflation in taxable value in that sector exceeded inflation in other sectors. The largest exception to this is in the Boise School District, where the school district's charter permits a continued, but reduced, M&O multiplier to be applied to the taxable value. Changes in dollars levied for all school funds and numbers of voter-approved school funds are shown in Chart VI.

Other than in these situations, inflation in taxable property value does not directly equate to increasing property taxes because tax levies (rates) must be adjusted to comply with the property tax budget increase cap.

Many districts show increases in excess of 3%, despite this being the nominal cap. The most significant causes of such increases are additional budget capacity related to new construction and increases due to voter approved levies for school districts. Most of the total net property tax increase of \$97.9 million can be broken down as shown in Table 1 below:

**Table 1:**

<b>Major causes of increased property tax</b>	<b>Potential increase amount*</b>
3% general cap	\$36.5 million
Increases in school bonds and school exempt levies other than M&O	\$22.1 million
Increase in Boise School District M&O	\$ 5.1 million
Decrease in school funds to which agricultural replacement moneys were allocated	<\$2.0> million
Increases in non-school bonds and voter-approved levies	\$ 2.2 million
Additional dollars available due to new construction	\$30.1 million
Increase <decrease> due to new levies in 2008 or existing districts not levying in 2008	\$ 2.7 million

Major causes of increased property tax	Potential increase amount*
Increase due to newly formed College of Western Idaho	\$ 5.1 million
Net tax increase <decrease> due to use of Foregone Amount	\$1.9 million
Decrease due to Nez Perce County's property tax relief funds	\$ <1.6> million
Decrease in non-school funds to which agricultural replacement moneys were allocated	\$<6.5> million
Decrease in non-school funds to which 63-1305 judgment, recaptured QIE, and recovered H/E moneys were allocated	\$<0.6> million

\*Only potential increases can be calculated for the 3% cap, new construction, and annexation. In some cases, districts have accumulated indicated amounts as "foregone" amounts, which were not levied, but may be recaptured as future property tax increases. Overall available foregone amounts decreased by \$1.9 million in 2008 to \$33.4 million. This decrease is largely attributable to the use of a large portion of previously foregone amounts by the North Idaho College.

Regardless of changes in budgeted property taxes, significant increases or decreases may occur when individual assessed values grow or decline more rapidly than typical values or when significant changes in specific taxing district budgets occur. Chart VIII shows average tax rates in each county in 2008. For the first time in many years, most average rates are higher in 2008. This has occurred because most property tax budget increases exceeded taxable value increases. The overall increase in taxable value was 4%, while property tax budgets increased by 8% on average. This limited increase in taxable value reflects a \$2.9 billion increase in the value exempted by the homeowner's exemption and a \$1.2 billion decrease in the net taxable value of new construction reported for 2008. It does not reflect housing or other property value changes that may have occurred after January 1, 2008. Such changes will be reflected in 2009 assessed values and tax rates.

Table 2 lists many of the notable changes in property tax portions of taxing district budgets for 2008 in comparison to 2007. Additional information can be found in detailed budget reports available on request.

**Table 2: Significant Property Tax Budget Changes in 2008**

County	Taxing District	Description of Change	\$ Amount of Change
Ada / Boise	Boise School District 1	Increased M&O	5,100,000
Ada / Canyon	College of Western Idaho	New Taxing District	5,100,000
Adams / Valley	McCall-Donnelly School District 421	Increased Bond fund	687,000

<b>County</b>	<b>Taxing District</b>	<b>Description of Change</b>	<b>\$ Amount of Change</b>
Adams / Idaho	Salmon River School District 243	Eliminated Plant Facilities Fund	< 85,000>
Bannock	Pocatello School District 25	New Emergency Fund	300,000
Bear Lake	Bear Lake School District 33	Eliminated Supplemental	<500,000>
Bear Lake	County Road & Bridge	New Override	300,000
Bear Lake	Fish Haven Abatement	New Taxing District	119,000
Benewah / Shoshone	St. Maries School 41	Eliminated Emergency Fund	<195,000>
Bingham	Snake River School 52	Eliminated Bond	<498,000>
Bingham / Bonneville	Shelley School District 60	New Emergency Fund	100,000
Bingham	Bingham Interim Abatement	New Taxing District	715,000
Blaine	County	Increased Bond Fund	309,000
Blaine	Hailey City	Eliminated Bond Fund	<190,000>
Blaine	Blaine School District 61	Increased Bond Fund and Eliminated Emergency Fund	939,000
Blaine	Ambulance District	New Permanent Override	350,000
Boise	Garden Valley School District 71	New Bond Fund and Decreased Supplemental Fund	780,000
Bonner	Lake Pend Oreille School District 84	New Plant Facilities Fund	7,050,000
Bonner	Ellisport Bay Sewer District	New Levy	17,000
Bonneville	Idaho Falls School District 91	New Emergency Fund	973,000
Bonneville	Bonneville School District 93	Increased Bond and Supplemental Funds	1,466,000
Bonneville / Jefferson	Ririe School District 252	Increased Bond Fund	126,000
Bonneville	Interim Abatement District	New Interim Abatement District	75,000
Boundary	County	New Override Fund	335,000
Boundary	Boundary School District 101	Eliminated Emergency fund	<328,000>

<b>County</b>	<b>Taxing District</b>	<b>Description of Change</b>	<b>\$ Amount of Change</b>
Butte	Butte County School District 111	Decreased Bond Fund	<104,000>
Canyon	Nampa School District 131	New Supplemental Fund and Increased Bond Fund	2,404,000
Canyon	Wilder School District 133	Increased Bond, Supplemental, and COSA Funds	175,000
Canyon	Middleton School District 134	New emergency fund	597,000
Canyon	Vallivue School District 139	Increased Supplemental Funds	1,000,000
Canyon / Ada	Star City	Annexed into Canyon County	9,000
Canyon / Gem	Middleton Fire District	New Override	795,000
Canyon	Canyon Interim Abatement District	New District	140,000
Canyon / Ada	Star Sewer and Water District	Annexed into Canyon County	3,600
Caribou / Bear Lake / Bonneville	Soda Springs School District 150	Eliminated Bond Fund	<48,000>
Cassia / Oneida / Twin Falls	Cassia School District 151	New Emergency Fund	364,000
Cassia	Sublett Cemetery District	New Levy	1,000
Clearwater / Lewis / Nez Perce	Orofino School District 171	Increased Supplemental Fund	190,000
Clearwater / Latah	East Whitepine School District 288	Eliminated Bond Fund and Increased Supplemental Fund	116,000
Elmore	Mountain Home School District 193	Eliminated Emergency fund	<272,000>
Elmore	Oasis Fire District	New District	19,000
Elmore	Tipanuk Fire District	New District	11,000
Franklin	Franklin Abatement District	New District	171,000
Fremont / Madison	Fremont School District 215	Increased Bond Fund	433,000
Fremont / Madison	Sugar-Salem School District 322	Increased Bond and Emergency funds	96,000
Gem	County	Decreased Bond Fund	<157,000>
Gooding	Wendell School District 232	Decreased Bond Fund	<84,000>

<b>County</b>	<b>Taxing District</b>	<b>Description of Change</b>	<b>\$ Amount of Change</b>
Idaho	Mountain View School District 244	Eliminated Plant Facilities Fund and Increased Supplemental Fund	<310,000>
Jefferson / Madison	Jefferson School District 251	Increased Bond Fund and Emergency fund	1,893,000
Jefferson	West Jefferson School District 253	Decreased Bond Fund	<90,000>
Jefferson	Jefferson Interim Abatement District	New District	620,000
Jerome	Jerome City	New Bond	61,000
Jerome / Lincoln / Gooding	Jerome School District 261	Increased Plant Facilities Fund	350,000
Jerome	Valley School District 262	Decreased Bond Fund	<51,000>
Kootenai	Coeur d'Alene School District 271	Eliminated Emergency Fund	<579,000>
Kootenai / Bonner	Lakeland School District 272	New Supplemental Fund and Decreased Bond Fund	1,250,000
Kootenai	North Idaho College	Increased Property Tax budget (using foregone amount)	3,047,000
Latah / Nez Perce	Genesee School District 282	Increased Supplemental fund	70,000
Latah / Clearwater / Nez Perce	Kendrick School District 283	Increased Supplemental fund	51,000
Latah	Potlatch School District 285	Increased Supplemental fund	106,000
Latah	Troy School District 287	Increased Supplemental fund	43,000
Lincoln	Dietrich School District 314	Decreased Bond Fund	<87,000>
Lincoln	Richfield School District 316	Increased Plant Facilities Fund	124,000
Madison	Madison School District 321	Increased Bond, and Eliminated Emergency funds	476,000
Madison	Madison Library District	New Bond	319,000
Minidoka	County	Increased 63-1305 Judgment Fund	178,000
Nez Perce	Lewiston School District 340	Increased Permanent Override	700,000

<b>County</b>	<b>Taxing District</b>	<b>Description of Change</b>	<b>\$ Amount of Change</b>
Nez Perce	Lapwai School District 341	Decreased Bond Fund	<99,000>
Nez Perce / Lewis	Culdesac School District	Increased Supplemental	25,000
Nez Perce	Wheatland Fire District	New District	41,000
Nez Perce	Central Orchards Sewer District	Eliminated Bond Fund	<263,000>
Owyhee / Canyon	Marsing School District 363	Decreased Bond Fund	<703,000>
Owyhee / Canyon	Homedale School District 370	Increased Bond and COSA funds	76,000
Payette / Washington	Payette School District 371	Decreased Bond Fund	<60,000>
Payette	New Plymouth School District 372	Decreased Bond Fund, Increased Supplemental Fund, and Decreased Emergency Fund	<67,000>
Payette	Fruitland School District 373	Decreased Emergency Fund	<78,000>
Payette / Gem	Gem Abatement District	Annexed into Payette County	22,000
Payette	Payette Abatement District	New District	494,000
Power	Rockland School District 382	Increased Bond and Supplemental funds	22,000
Power	Power Interim Abatement District	New District	500,000
Kootenai / Shoshone	Kellogg School District 391	Increased Supplemental fund	1,330,000
Shoshone	Wallace School District 393	Increased Bond and Decreased Supplemental funds	11,000
Shoshone	Avery School District 394	Decreased Budget Stabilization fund (correction)	<119,000>
Teton	County	New Override Fund	1,326,000
Twin Falls	Twin Falls School District 411	Decreased Bond, Increased Plant Facilities, and Decreased Emergency funds	494,000

<b>County</b>	<b>Taxing District</b>	<b>Description of Change</b>	<b>\$ Amount of Change</b>
Twin Falls	Filer School District 413	Increased Bond fund	396,000
Twin Falls	Kimberly School District 414	Increased Bond and Supplemental funds and Decreased Emergency fund	110,000
Twin Falls	Hansen School District 415	Increased Bond fund	199,000
Twin Falls / Owyhee	Castleford School District 417	Increased Supplemental and Eliminated Bond funds	148,000
Twin Falls / Cassia	Murtaugh School District 418	Increased Bond Fund and Decreased Plant Facilities Fund	<33,000>
Twin Falls	Twin Falls Interim Abatement District	New District	442,000
Valley / Adams	McCall – Donnelly School District 421	Increased Bond fund	687,000
Valley	Cascade School District 422	Increased Bond Fund and eliminated Emergency fund	44,000
Valley	McCall Hospital District	Eliminated Bond Fund	<385,000>
Washington	Weiser School District 431	Decreased Bond Fund	<174,000>
Washington	Hillcrest Cemetery District	New District	168,000

**Table 3: Summary of property tax changes during various periods**

<b>Period</b>	<b>Total Property Tax Increase (Million \$)</b>	<b>Total Percent Increase</b>	<b>Average Percent Change Per Year</b>
1973-1978	100.0	84.0	+ 13.0
1978-1981	2.7	0.8	+ 0.3
1981-1994	408.9	268.5	+ 8.6
1994-1995	12.6	1.9	+ 1.9
1995-2000	250.0	37.6	+ 6.6
2000-2001	34.4	3.8	+ 3.8
2001-2005	290.7	30.6	+ 6.9
2006	<141.4>	<11.4>	- 11.4
2006 - 2008	218.1	19.9%	+ 9.5

As shown in Table 3 above, since the early 1970s, the property tax system has undergone three significant changes, each of which has been accompanied by substantial tax relief. During the 1970s, the system was levy driven, meaning that taxes tended to expand at the rate of growth in assessed value. The 1978 – 1981 period saw state-funded, school-related tax relief and strict budget increase limitations or freezes. From 1982 until the early 1990s, budgets (and, toward the end of that period, levies) were permitted to grow by 5% each year. From 1992 – 1994, the only difference between the system in place and the levy-driven system of the 1970s was special advertising requirements. In 1995, some school M&O taxes were replaced with state funds and a 3% budget increase cap with certain growth exceptions was imposed. This system is still in place, but less growth in taxes occurred in 2001 because of the state’s replacement of agricultural equipment property taxes and various other state and local property tax relief mechanisms. From 2002 through 2005, with no new state-generated property tax relief, property tax growth mirrored the 1995 – 2000 period. 2006 marked a departure due to the replacement of most school M&O property taxes. 2007 and 2008 saw many new or increased voter approved property taxes for school districts and, therefore, a higher than typical overall increase in property taxes.



**Table 4: Five year distribution of property tax by major local unit of government**

<b>Unit of Government</b>	<b>2004 Taxes Mill.\$</b>	<b>2005 Taxes Mill.\$</b>	<b>2006 Taxes Mill.\$</b>	<b>2007 Taxes Mill.\$</b>	<b>2008 Taxes Mill.\$</b>	<b>% Ch. 07 – 08</b>
County	263.4	281.1	294.9	326.6	346.1	+ 6.0
City	246.0	270.0	293.9	321.7	344.2	+ 7.0
School	487.8	529.7	332.2	377.2	404.9	+ 7.4
Highway	60.3	65.2	72.6	77.5	84.8	+ 9.5
All Other	83.3	93.4	104.1	114.8	135.8	+18.3
<b>TOTAL</b>	<b>1,140.8</b>	<b>1,239.1</b>	<b>1,097.7</b>	<b>1,217.8</b>	<b>1,315.8</b>	<b>+ 8.0</b>

In addition to the summary information found in Table 4 above, detail concerning taxing district budgets is found in Charts V, VI, and VII, attached to this report.

### **Typical Property Tax Rates**

Statewide, there are several thousand unique combinations of taxing districts that may be levying property tax against a given parcel. This results in as many unique property tax rates. Chart VIII provides general tax rate guidance by listing average urban and rural rates calculated for each county and overall. Statewide, the highest property tax rate is in Rockland City, in Power County, where the rate is 2.765%. The lowest rate is in one area of rural Valley County, where the rate is 0.233%.

### **Charts**

Charts containing property tax budget and market value information follow the narrative portion of this report. The attachment entitled "2008 Property Tax Analysis Charts" provides a complete listing of charts discussed in this narrative and other charts that analyze the exempt and non-exempt budgets of taxing districts, comparing 2008 amounts with those submitted in 2007.

### **Analysis – effects of tax and value changes**

Tax and value changes shown in the attached charts reflect cumulative overall changes of all types. For example, the total taxable value of primary residential property, defined as property eligible for and receiving the homeowner's exemption, decreased slightly in 2008. This was a result of more limited new construction in this sector during 2007 and a large increase in the homeowner's exemption ceiling from \$89,325 in 2007 to \$100,938 in 2008. Existing primary residential property typically experienced a decrease in taxable value and a largely offsetting increase in tax rates. However, because the effect of the increasing homeowner's exemption ceiling was limited to middle and higher value homes, it is likely that many lower value homes experienced modest value and tax increases. Table 5 shows the effect of new construction (including change of land use classification) on the three most affected major categories of property.

**Table 5: 2007 – 2008 tax changes on existing property**

<b>Type of Property</b>	<b>2007 Taxable Value</b> (\$ Millions)	<b>2008 Taxable Value</b> (\$ Millions)	<b>Estimated New Construction Value</b> (\$ Millions)	<b>Overall percent change in taxable value</b>	<b>Percent change in taxable value of existing property</b>	<b>Estimated average percent change in taxes on existing property</b>
Primary Residential (eligible for homeowner's exemption)	47,912	47,664	1,998	- 0.5%	- 4.7%	+ 0.4%
Other Residential	40,085	43,291	523	+ 7.8%	+ 6.7%	+ 10.7%
Commercial and Industrial	27,376	29,641	1,871	+ 8.3%	+ 1.4%	+ 3.9%

In Table 5 new construction was estimated by using residential and commercial proportionate shares, but not absolute amounts, based on new construction roll data from a sample of 22 Idaho counties. The amounts calculated are based on categories used by counties to report new construction and include assignment change in land use, as well as other elements of new construction. Because category level data was not available for Kootenai and Canyon counties, the sample may under-represent larger counties. Nevertheless, it corrects substantial under-estimation and assignment inaccuracies that resulted in the past from the use of data from *Idaho Construction Report*, published by Wells Fargo Bank. This report relies on building permit data, does not isolate owner and non owner-occupied properties, does not segregate remodels into commercial and residential components, and does not attempt to provide data on change in land use classification. However, category level information had not been available directly from the county sources in the past. To estimate the average percent change in taxes on existing property, the percent change in taxable value of existing property was divided by the overall percent change in taxable value. This proportion was then assumed to match the proportion of the overall tax increase borne by existing property in each grouping.

Property tax data presented throughout this report has been compiled from budget reports submitted by taxing districts to counties and then to the Idaho State Tax Commission. Valuation information and data that enabled owner and non owner-occupied residential property to be distinguished was submitted by counties.

Alan S. Dornfest  
Property Tax Policy Supervisor  
December 11, 2008

## 2008 Property Tax Analysis Charts

<b>Chart</b>	<b>Title</b>
I	Comparison of 2008 and 2007 Taxable Market Value and Estimated Property Tax Collections by Category of Property.
II	Effects of 2008 Homeowner's Exemption Values and Taxes Assuming NO Homeowner's Exemption
III	Comparison of 2007 and 2008 Property Taxes and Effects of 2008 Homeowner's Exemption on Individual Property
IV	Percent of Total 2008 Property Taxes Paid by Each Major Category of Property
V	Comparison of 2007 – 2008 Property Tax by District Type
VI	2008 School Property Taxes by Fund Comparison of 2007 – 2008 School Property Taxes
VII	Comparison of Property Tax Budget 2007 – 2008 by Type of Taxing District (exempt & non-exempt funds)
VIII	2008 Average Property Tax Rates

<b>Chart I</b> <b>Comparison of 2008 and 2007 Taxable Value and</b> <b>Estimated Property Tax Collections by Category of Property</b>							
12/8/2008							
Category of Property	2008 Taxable Value Including 2007 Sub. Roll	% of Taxable Value in Category	% Change in Taxable Value 2007/2008	Estimated 2008 Tax Rate	Estimated 2008 Tax (\$)	% of Tax in Category	% Change in Taxes 2007/2008
<b>Primary Residential: (Homeowner's Exemption)</b>							
Urban owner-occupied	29,254,188,296	22.4%	0.5%	1.271%	\$371,780,035	28.3%	5.0%
Rural owner-occupied	18,409,577,460	14.1%	-2.2%	0.797%	\$146,719,443	11.2%	2.7%
<b>Subtotal</b>	<b>47,663,765,756</b>	<b>36.5%</b>	<b>-0.5%</b>	<b>1.088%</b>	<b>\$518,499,478</b>	<b>39.4%</b>	<b>4.4%</b>
<b>Other Residential: (No Homeowner's Exemption)</b>							
Urban non owner occupied	19,930,421,781	15.3%	4.5%	1.028%	\$204,843,443	15.6%	7.1%
Rural non owner occupied	23,360,343,920	17.9%	11.2%	0.620%	\$144,840,230	11.0%	19.6%
<b>Subtotal</b>	<b>43,290,765,702</b>	<b>33.2%</b>	<b>8.0%</b>	<b>0.808%</b>	<b>\$349,683,674</b>	<b>26.6%</b>	<b>11.9%</b>
<b>Residential subtotal</b>	<b>90,954,531,458</b>	<b>69.7%</b>	<b>3.4%</b>	<b>0.955%</b>	<b>868,183,152</b>	<b>66.0%</b>	<b>7.3%</b>
<b>Commercial:</b>							
Urban	24,448,592,302	18.7%	8.3%	1.280%	\$312,883,397	23.8%	10.8%
Rural	5,192,607,919	4.0%	8.2%	0.892%	\$46,338,167	3.5%	11.3%
<b>Subtotal</b>	<b>29,641,200,221</b>	<b>22.7%</b>	<b>8.3%</b>	<b>1.212%</b>	<b>\$359,221,564</b>	<b>27.3%</b>	<b>10.9%</b>
<b>Agricultural:</b>							
	4,356,248,509	3.3%	3.4%	0.899%	\$39,175,239	3.0%	3.1%
<b>Timber:</b>							
	1,005,520,891	0.8%	5.7%	0.753%	\$7,573,954	0.6%	9.4%
<b>Mining:</b>							
	530,695,044	0.4%	-7.8%	0.595%	\$3,160,205	0.2%	-0.4%
<b>Real &amp; Personal:</b>							
<b>Subtotal</b>	<b>126,488,196,123</b>	<b>97.0%</b>	<b>4.4%</b>	<b>1.010%</b>	<b>\$1,277,314,113</b>	<b>97.1%</b>	<b>8.1%</b>
<b>Operating:</b>							
Urban	1,109,797,028	0.9%	3.2%	1.277%	\$14,173,821	1.1%	5.6%
Rural	2,832,660,393	2.2%	4.0%	0.857%	\$24,270,193	1.8%	4.7%
<b>Subtotal</b>	<b>3,942,457,421</b>	<b>3.0%</b>	<b>3.8%</b>	<b>0.975%</b>	<b>\$38,444,014</b>	<b>2.9%</b>	<b>5.0%</b>
<b>Total Urban</b>	<b>74,742,999,408</b>	<b>57.3%</b>	<b>4.1%</b>	<b>1.209%</b>	<b>\$903,680,696</b>	<b>68.7%</b>	<b>7.4%</b>
<b>Total Rural</b>	<b>55,687,654,136</b>	<b>42.7%</b>	<b>4.9%</b>	<b>0.740%</b>	<b>\$412,077,431</b>	<b>31.3%</b>	<b>9.4%</b>
<b>Grand Total</b>	<b>130,430,653,544</b>	<b>100.0%</b>	<b>4.4%</b>	<b>1.009%</b>	<b>\$1,315,758,127</b>	<b>100.0%</b>	<b>8.0%</b>

Values do not include urban renewal increments.

Chart II								
Effects of the 2008 Homeowner's Exemption								
Values and Taxes Assuming NO Homeowner's Exemption								
12/8/2008								
Category of Property	2008 Taxable Value Plus Homeowner's Exemption (\$)	% of Market Value in Category	% Change in total Market Value 2007/2008	Estimated 2008 Tax Rate w/o Homeowner's Exemption	Estimated 2008 Tax w/o Homeowner's Exemption (\$)	% of Tax in Cat.	Changes in 2008 Taxes if NO Homeowner's Exemption	
							% change:	\$ change:
Primary Residential: (Homeowner's Exemption)								
Urban owner-occupied	48,351,135,670	30.3%	4.2%	1.014%	\$490,182,419	37.3%	31.8%	118,402,384
Rural owner-occupied	28,266,483,131	17.7%	2.5%	0.653%	\$184,458,390	14.0%	25.7%	37,738,946
Subtotal	76,617,618,801	48.1%	3.6%	0.881%	\$674,640,809	51.3%	30.1%	156,141,331
Other Residential: (No Homeowner's Exemption)								
Urban non owner occupied	19,930,421,781	12.5%	4.5%	0.835%	\$166,515,615	12.7%	-18.7%	(38,327,828)
Rural non owner occupied	23,360,343,920	14.7%	11.2%	0.524%	\$122,427,525	9.3%	-15.5%	(22,412,705)
Subtotal	43,290,765,702	27.2%	8.0%	0.667%	\$288,943,141	22.0%	-17.4%	(60,740,533)
Residential subtotal	119,908,384,503	75.2%	5.1%	0.804%	963,583,949	73.2%	11.0%	95,400,798
Commercial:								
Urban	24,448,592,302	15.3%	8.3%	1.001%	\$244,713,987	18.6%	-21.8%	(68,169,410)
Rural	5,192,607,919	3.3%	8.2%	0.709%	\$36,835,458	2.8%	-20.5%	(9,502,709)
Subtotal	29,641,200,221	18.6%	8.3%	0.950%	\$281,549,445	21.4%	-21.6%	(77,672,120)
Agricultural:	4,356,248,509	2.7%	3.4%	0.712%	\$31,003,335	2.4%	-20.9%	(8,171,904)
Timber:	1,005,520,891	0.6%	5.7%	0.621%	\$6,245,567	0.5%	-17.5%	(1,328,387)
Mining:	530,695,044	0.3%	-7.8%	0.526%	\$2,791,159	0.2%	-11.7%	(369,045)
Real & Personal								
Subtotal	155,442,049,168	97.5%	5.6%	0.827%	\$1,285,173,455	97.7%	0.6%	7,859,342
Operating:								
Urban	1,109,797,028	0.7%	3.2%	0.996%	\$11,051,036	0.8%	-22.0%	(3,122,785)
Rural	2,832,660,393	1.8%	4.0%	0.690%	\$19,533,636	1.5%	-19.5%	(4,736,557)
Subtotal	3,942,457,421	2.5%	3.8%	0.776%	\$30,584,672	2.3%	-20.4%	(7,859,342)
Total Urban	93,839,946,782	58.9%	5.3%	0.972%	\$912,463,057	69.3%	1.0%	8,782,361
Total Rural	65,544,559,807	41.1%	6.0%	0.615%	\$403,295,070	30.7%	-2.1%	(8,782,361)
Grand Total	159,384,506,589	100.0%	5.6%	0.826%	\$1,315,758,127	100.0%	0.0%	0

Values do not include urban renewal increments.

<b>Chart III</b> <b>Comparison of 2007 &amp; 2008 Property Taxes and</b> <b>Effects of 2007 Homeowner's Exemption on Individual Property</b>						
12/8/2008						
Location	Type of Property	2007 Property Taxes (\$)	2008 Property Taxes (\$)	% Change 2007 - 2008	2008 Tax Without Homeowner's Exempt. (\$)	% Change in 2008 Tax if NO Home. Exempt
Urban	Primary Residential (Homeowner's Exemption)	927	923	-0.4%	1,473	59.5%
Urban	Commercial	1,961	2,036	3.8%	1,592	-21.8%
Rural	Primary Residential (Homeowner's Exemption)	578	579	0.1%	948	63.8%
Rural	Commercial	1,360	1,419	4.4%	1,128	-20.5%
Rural	Farm	2,808	2,840	1.2%	2,765	-2.7%

Farm property is assumed to be valued as follows:

	2007	2008	Taxable Value: (after Home. Ex.) 2008
Agricultural land	\$235,297	\$243,225	\$243,225
House	\$128,030	\$122,012	
Residential land	\$24,389	\$23,242	
Total	\$387,715	\$388,480	\$315,852

Commercial property is valued as follows:

	2007	2008
Commercial real and personal property	\$156,858	\$159,054

Primary Residential property is valued as follows:

	2007	2008	Taxable Value: (after Home. Ex.) 2008
Primary Residential (Homeowner's Exemption)			
House	\$128,030	\$122,012	
Residential land	\$24,389	\$23,242	
Total	\$152,418	\$145,255	\$72,627

### Inflation Adjustments

Primary Residential (Homeowner's Exemption) full values increases have been offset by homeowner's exemption increase resulting in a 4.7% reduction in net taxable value for 2008 ;

Commercial values have reduced by by 1.4% in 2008.

The remainder of residential and commercial growth is attributed to new construction.

Farm land values have been inflated 3.4% in 2008.

<p>Chart IV</p> <p>Percent of Total 2008 Property Taxes Paid by Each Major Category of Property</p> <p>12/8/2008</p>													
County	Residential Property:			Commercial & Industry:			Farms Total	Timber Total	Mining Total	Real & Pers Subtotal	Operating Property:		
	Urban	Rural	Subtotal	Urban	Rural	Subtotal					Urban	Rural	Subtotal
ADA	55.9%	10.4%	66.3%	30.6%	1.0%	31.6%	0.2%	0.0%	0.0%	98.1%	1.1%	0.8%	1.9%
ADAMS	11.7%	54.4%	66.1%	6.3%	6.1%	12.4%	5.4%	2.7%	0.0%	86.6%	0.3%	13.0%	13.4%
BANNOCK	48.9%	10.7%	59.6%	31.2%	2.9%	34.1%	0.9%	0.0%	0.0%	94.6%	2.0%	3.4%	5.4%
BEAR LAKE	21.2%	51.6%	72.8%	6.7%	1.1%	7.7%	5.4%	0.0%	0.0%	85.9%	0.9%	13.2%	14.1%
BENEWAH	16.4%	37.2%	53.6%	13.3%	7.5%	20.8%	5.8%	14.4%	0.0%	94.5%	0.7%	4.8%	5.5%
BINGHAM	26.3%	28.3%	54.6%	15.5%	8.9%	24.4%	11.5%	0.0%	0.0%	90.5%	1.0%	8.5%	9.5%
BLAINE	60.0%	28.9%	88.8%	9.4%	0.8%	10.3%	0.4%	0.0%	0.0%	99.5%	0.1%	0.4%	0.5%
BOISE	5.8%	82.7%	88.6%	2.6%	3.4%	6.1%	1.3%	1.2%	0.0%	97.1%	0.4%	2.5%	2.9%
BONNER	17.2%	60.3%	77.5%	11.3%	3.0%	14.3%	1.2%	1.5%	0.0%	94.6%	0.7%	4.7%	5.4%
BONNEVILLE	44.8%	14.4%	59.2%	33.0%	4.7%	37.6%	1.5%	0.0%	0.0%	98.4%	1.0%	0.7%	1.6%
BOUNDARY	13.7%	42.4%	56.1%	9.1%	6.0%	15.1%	6.5%	4.7%	0.0%	82.4%	1.5%	16.1%	17.6%
BUTTE	15.5%	30.0%	45.5%	11.1%	4.7%	15.8%	27.1%	0.0%	0.0%	88.4%	0.7%	10.9%	11.6%
CAMAS	15.3%	51.7%	67.0%	7.1%	4.2%	11.2%	14.6%	0.0%	0.1%	92.9%	0.7%	6.3%	7.1%
CANYON	45.4%	19.8%	65.2%	26.3%	4.1%	30.4%	2.4%	0.0%	0.0%	98.0%	0.8%	1.2%	2.0%
CARIBOU	16.0%	9.0%	25.1%	8.4%	8.7%	17.1%	12.9%	0.0%	25.8%	80.9%	1.4%	17.7%	19.1%
CASSIA	21.7%	22.6%	44.3%	15.0%	14.9%	29.9%	19.2%	0.0%	0.0%	93.5%	1.0%	5.5%	6.5%
CLARK	7.3%	6.1%	13.4%	6.2%	17.2%	23.4%	36.2%	0.1%	0.1%	73.1%	1.4%	25.5%	26.9%
CLEARWATER	22.9%	24.3%	47.2%	11.3%	3.0%	14.3%	2.8%	31.4%	0.0%	95.8%	1.1%	3.1%	4.2%
CUSTER	14.9%	29.3%	44.2%	8.3%	6.7%	14.9%	5.4%	0.0%	32.7%	97.2%	0.3%	2.5%	2.8%
ELMORE	41.4%	21.4%	62.7%	11.4%	4.2%	15.6%	3.5%	0.0%	0.0%	81.9%	2.9%	15.1%	18.1%
FRANKLIN	37.4%	26.3%	63.7%	11.6%	1.9%	13.5%	11.5%	0.0%	0.2%	89.0%	2.0%	9.0%	11.0%
FREMONT	19.5%	63.5%	83.1%	5.3%	2.6%	7.8%	6.2%	0.1%	0.0%	97.1%	0.4%	2.5%	2.9%
GEM	26.5%	49.6%	76.2%	12.4%	3.5%	16.0%	4.9%	0.1%	0.0%	97.1%	0.4%	2.4%	2.9%
GOODING	22.7%	23.7%	46.5%	10.3%	11.5%	21.7%	18.7%	0.0%	0.0%	86.9%	0.8%	12.2%	13.1%
IDAHO	18.6%	43.7%	62.3%	11.9%	9.2%	21.1%	9.7%	3.0%	0.1%	96.2%	0.5%	3.3%	3.8%
JEFFERSON	16.5%	48.9%	65.4%	6.7%	8.2%	14.9%	13.4%	0.0%	0.0%	93.6%	0.8%	5.5%	6.4%
JEROME	25.7%	26.1%	51.8%	16.6%	10.4%	26.9%	11.8%	0.0%	0.0%	90.5%	0.5%	8.9%	9.5%
KOOTENAI	38.9%	34.8%	73.7%	19.5%	2.3%	21.8%	0.4%	0.6%	0.0%	96.4%	1.8%	1.8%	3.6%
LATAH	43.2%	18.5%	61.7%	23.3%	2.3%	25.6%	5.4%	4.1%	0.0%	96.7%	1.5%	1.8%	3.3%
LEMHI	24.1%	39.9%	64.0%	16.3%	3.6%	19.9%	10.0%	0.0%	0.1%	94.0%	0.4%	5.5%	6.0%
LEWIS	30.1%	15.2%	45.4%	15.0%	2.5%	17.4%	29.6%	3.2%	0.0%	95.6%	1.2%	3.2%	4.4%
LINCOLN	20.1%	18.7%	38.8%	7.0%	12.9%	19.8%	18.8%	0.0%	0.1%	77.5%	1.1%	21.4%	22.5%
MADISON	27.6%	22.3%	49.9%	35.4%	5.5%	40.8%	6.8%	0.0%	0.0%	97.6%	0.7%	1.7%	2.4%
MINIDOKA	24.2%	25.2%	49.4%	24.2%	6.8%	31.0%	12.9%	0.0%	0.0%	93.3%	1.0%	5.7%	6.7%
NEZ PERCE	50.7%	7.4%	58.1%	26.9%	8.9%	35.8%	2.5%	0.2%	0.0%	96.6%	2.0%	1.4%	3.4%
ONEIDA	30.1%	17.6%	47.7%	11.8%	6.0%	17.9%	23.1%	0.0%	0.2%	88.8%	1.0%	10.3%	11.2%
OWYHEE	15.7%	38.5%	54.3%	8.6%	6.8%	15.4%	18.6%	0.0%	0.2%	88.4%	0.2%	11.4%	11.6%
PAYETTE	38.5%	26.3%	64.8%	18.9%	4.7%	23.6%	6.6%	0.0%	0.0%	95.0%	1.0%	3.9%	5.0%
POWER	14.4%	9.2%	23.5%	7.1%	31.6%	38.7%	14.7%	0.0%	0.0%	77.0%	0.7%	22.3%	23.0%
SHOSHONE	37.3%	18.2%	55.5%	14.7%	9.1%	23.8%	0.2%	11.6%	2.1%	93.3%	1.5%	5.2%	6.7%
TETON	17.8%	71.7%	89.4%	4.7%	2.3%	7.0%	2.5%	0.0%	0.0%	99.0%	0.1%	0.9%	1.0%
TWIN FALLS	40.6%	16.5%	57.1%	29.9%	2.6%	32.4%	5.9%	0.0%	0.0%	95.5%	0.2%	4.3%	4.5%
VALLEY	34.7%	54.0%	88.7%	7.9%	1.8%	9.7%	0.3%	0.3%	0.0%	99.0%	0.2%	0.8%	1.0%
WASHINGTON	28.3%	20.0%	48.2%	12.3%	2.8%	15.0%	12.2%	0.1%	0.0%	75.5%	0.8%	23.7%	24.5%

**Chart V**

Comparison of 2007 - 2008 Property Tax by District Type				
District Category December 8, 2008	Property Tax		%	\$
	2007	2008		
County	326,564,227	346,112,722	6.0%	19,548,495
City	321,690,886	344,212,533	7.0%	22,521,647
School	377,196,380	404,947,723	7.4%	27,751,343
Ambulance	16,587,867	17,850,900	7.6%	1,263,033
Auditorium	12,327	13,168	6.8%	841
Cemetery	3,622,976	4,026,129	11.1%	403,153
Extermination	775,769	849,568	9.5%	73,799
Fire	47,685,641	52,111,081	9.3%	4,425,440
Flood Control	474,892	497,360	4.7%	22,468
Roads & Highways	77,476,534	84,805,551	9.5%	7,329,017
Hospital	7,773,678	8,007,371	3.0%	233,693
Junior College	12,552,408	20,910,626	66.6%	8,358,218
Library	16,143,959	17,641,964	9.3%	1,498,005
Mosquito Abatement	2,048,036	6,283,421	206.8%	4,235,385
Port	450,000	450,000	0.0%	-
Recreation	4,086,219	4,401,353	7.7%	315,134
Sewer Incl Rec Sewer	613,020	463,937	-24.3%	(149,083)
Sewer & Water	1,990,031	2,083,715	4.7%	93,684
Water	80,433	84,505	5.1%	4,072
Watershed	4,500	4,500	0.0%	-
<b>Total:</b>	<b>1,217,829,783</b>	<b>1,315,758,127</b>	<b>8.0%</b>	<b>97,928,344</b>



## Chart VI:

12/8/2008

2008 School Property Taxes by Fund Comparison of 2007 - 2008 School Property Taxes					
Fund	2007 \$ AMOUNT	2008 \$ AMOUNT	% of Total	\$ CHANGE 2007 - 2008	% Difference
General M&O*	56,433,259	61,533,134	15.20%	5,099,875	9.04%
Budget Stabilization	35,490,585	35,371,455	8.73%	(119,130)	-0.34%
Tort	3,915,794	4,442,011	1.10%	526,217	13.44%
Tuition	365,934	380,496	0.09%	14,562	3.98%
Bonds	125,912,770	123,340,097	30.46%	(2,572,673)	-2.04%
Cosa	729,553	950,424	0.23%	220,871	30.27%
Emergency	16,659,663	15,422,645	3.81%	(1,237,018)	-7.43%
63-1305 Judgment	374,580	59,836	0.01%	(314,744)	-84.03%
Override	101,031,077	108,093,638	26.69%	7,062,561	6.99%
Plant Facility	36,283,165	55,354,364	13.67%	19,071,199	52.56%
<b>TOTALS:</b>	<b>377,196,380</b>	<b>404,948,100</b>	<b>100.00%</b>	<b>27,751,720</b>	<b>7.36%</b>

\* = Boise School #1 is the only School District authorized to levy a M&O fund.

2007 - 2008 Comparison of M&O and Voter Approved Exempt Funds used by Schools		
Fund	2007	2008
M&O	1	1
Budget Stabilization	4	4
Bond	84	81
Plant Facility	54	55
Override	61	63

**Chart VII:**

Comparison of Property Tax Budgets 2007 - 2008 by Type of Taxing District					
12/8/2008					
District	2007 Dollars	2008 Dollars	2007 - 2008 Change		% Total 2008 Property Tax
			Dollars	Percent	
County	326,564,227	346,112,722	19,548,495	5.99%	26.31%
City	321,690,886	344,212,533	22,521,647	7.00%	26.16%
School	377,196,382	404,947,723	27,751,341	7.36%	30.78%
Cemetery	3,622,976	4,026,129	403,153	11.13%	0.31%
Fire	47,685,641	52,111,081	4,425,440	9.28%	3.96%
Highway	77,476,534	84,805,551	7,329,017	9.46%	6.45%
Hospital	7,773,678	8,007,371	233,693	3.01%	0.61%
Junior College	12,552,408	20,910,626	8,358,218	66.59%	1.59%
Library	16,143,959	17,641,964	1,498,005	9.28%	1.34%
Other	27,123,094	32,982,427	5,859,333	21.60%	2.51%
<b>Totals:</b>	<b>1,217,829,785</b>	<b>1,315,758,127</b>	<b>97,928,342</b>	<b>8.04%</b>	<b>100.00%</b>

Comparison of Property Tax Budgets 2007 - 2008 by Type of Taxing District Exempt - Non Exempt Fund Comparison Only								
District	Exempt Property Tax Funds				Non Exempt Property Tax Funds			
	2007 Dollars	2008 Dollars	2007 - 2008 Change		2007 Dollars	2008 Dollars	2007 - 2008 Change	
			Dollars	Percent			Dollars	Percent
County	4,337,518	6,210,168	1,872,650	43.17%	322,226,709	339,902,554	17,675,845	5.49%
City	7,377,477	6,891,158	(486,319)	-6.59%	314,313,409	337,321,375	23,007,966	7.32%
School	373,280,918	400,506,089	27,225,171	7.29%	3,915,464	4,441,634	526,170	13.44%
Cemetery	48,943	36,062	(12,881)	-26.32%	3,574,033	3,990,067	416,034	11.64%
Fire	896,391	1,712,229	815,838	91.01%	46,789,250	50,398,852	3,609,602	7.71%
Highway	561,470	802,218	240,748	42.88%	76,915,064	84,003,333	7,088,269	9.22%
Hospital	1,162,491	846,790	(315,701)	-27.16%	6,611,187	7,160,581	549,394	8.31%
Junior College	607	0	(607)	-100.00%	12,551,801	20,910,626	8,358,825	66.59%
Library	1,593,607	1,900,884	307,277	19.28%	14,550,352	15,741,080	1,190,728	8.18%
Other	1,387,658	1,196,035	(191,623)	-13.81%	25,735,436	31,786,392	6,050,956	23.51%
<b>Totals:</b>	<b>390,647,080</b>	<b>420,101,633</b>	<b>29,454,553</b>	<b>7.54%</b>	<b>827,182,705</b>	<b>895,656,494</b>	<b>68,473,789</b>	<b>8.28%</b>

**Chart VIII**

<b>2008 AVERAGE PROPERTY TAX RATES</b>			
Updated: 12/8/2008			
<b>COUNTY</b>	<b>AVERAGE URBAN %</b>	<b>AVERAGE RURAL %</b>	<b>OVERALL AVERAGE PROP. TAX %</b>
ADA	1.192%	1.053%	1.173%
ADAMS	1.019%	0.675%	0.721%
BANNOCK	1.972%	1.080%	1.796%
BEAR LAKE	0.842%	0.526%	0.594%
BENEWAH	1.053%	0.586%	0.681%
BINGHAM	1.975%	1.178%	1.433%
BLAINE	0.509%	0.438%	0.485%
BOISE	0.870%	0.647%	0.666%
BONNER	0.862%	0.550%	0.617%
BONNEVILLE	1.617%	0.993%	1.428%
BOUNDARY	0.930%	0.667%	0.719%
BUTTE	1.994%	1.355%	1.484%
CAMAS	1.307%	0.841%	0.926%
CANYON	1.694%	1.094%	1.476%
CARIBOU	1.899%	1.013%	1.171%
CASSIA	1.442%	0.906%	1.058%
CLARK	1.058%	0.765%	0.802%
CLEARWATER	1.432%	0.805%	0.955%
CUSTER	0.524%	0.301%	0.335%
ELMORE	1.615%	0.863%	1.197%
FRANKLIN	1.220%	0.902%	1.050%
FREMONT	0.940%	0.613%	0.672%
GEM	0.877%	0.548%	0.644%
GOODING	1.590%	0.899%	1.064%
IDAHO	0.938%	0.503%	0.589%
JEFFERSON	1.670%	1.027%	1.134%
JEROME	1.839%	1.107%	1.345%
KOOTENAI	0.934%	0.588%	0.759%
LATAH	1.670%	1.255%	1.512%
LEMHI	1.054%	0.471%	0.614%
LEWIS	1.574%	0.988%	1.198%
LINCOLN	1.521%	0.961%	1.084%
MADISON	1.485%	1.254%	1.393%
MINIDOKA	1.291%	0.828%	1.009%
NEZ PERCE	1.814%	0.973%	1.550%
ONEIDA	1.450%	0.800%	1.002%
OWYHEE	1.025%	0.703%	0.763%
PAYETTE	1.704%	0.910%	1.260%
POWER	2.258%	1.490%	1.622%
SHOSHONE	1.332%	0.961%	1.131%
TETON	0.602%	0.477%	0.501%
TWIN FALLS	1.537%	0.952%	1.315%
VALLEY	0.604%	0.335%	0.414%
WASHINGTON	1.398%	0.770%	0.972%
<b>Statewide:</b>	<b>1.179%</b>	<b>0.781%</b>	<b>1.010%</b>